BRITISH COLUMBIA
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BCStats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 10-49 December 10, 2010

- **BC's exports inch ahead 0.8% in October**
- **Value of building permits climbs 7.7% in October; up 23.6% year-to-date**
- **Students in BC score equal to the Canadian average in reading, math and science**

The Economy

- **The value of British Columbia's exports edged 0.8% higher (*seasonally adjusted*) in October.** Despite weaker shipments of both energy (-12.0%) and agriculture & fish (-6.5%) products, total exports were buoyed by strong gains in the value of industrial & consumer (+14.2%) and forestry (+8.4%) products.

  Shipments destined for the United States rose 1.4% on the strength of higher shipments of energy (+6.0%) and forestry products (+5.2%). Exports to countries other than the US inched ahead (+0.4%) due to a sharp increase in the value of industrial & consumer (+25.5%) and forestry (+10.7%) product shipments, which offset significant declines in exports of energy (-18.2%) and agriculture & fish (-13.1%) products.

  Nationally, exports were up 3.1% in October, reflecting stronger shipments of industrial goods (+13.7%). Excluding the effects of the increase in industrial goods, exports declined 0.2%. *Data Source: Statistics Canada & BC Stats*

- **The value of building permits issued by municipalities in BC rose (+7.7%, *seasonally adjusted*) in October.** This most recent increase stretches the current rise in building permit values into a sixth consecutive month. Permits for residential (+5.5%) and non-residential (+12.5%) projects both climbed in value.

  The strongest growth in permit values among BC's census metropolitan areas was recorded in Victoria (+38.3) and Vancouver (+22.3%). After surging ahead in the previous month building permit values were down sharply in Abbotsford-Mission (-45.1%). Kelowna (-41.7%) also saw a significant drop in permit values. *Data Source: Statistics Canada*

- **Year-to-date, the value of building permits issued in BC was 23.6% higher than in the first ten months of 2009.** Planned expenditures on building projects were up in nearly all regions, with Thompson/Okanagan (-2.6%) being the sole exception. The remaining development regions registered increases ranging from a low of 0.9% in North Coast to as high as 98.6% in Nechako. Mainland/Southwest, responsible for nearly two-thirds of the value of building permits issued in the province, has seen planned spending rise sharply (+66.9%) during the first ten months of 2010.

  Data Source: Statistics Canada & BC Stats

- **Contractors in British Columbia reported a 1.6% increase in new housing prices (house and land) in October compared to the same month in the previous year.** This marks a ninth consecutive increase in new housing prices since February. Vancouver (+1.9%) continues to be the source of much of the overall increase. On the other hand, prices for new homes in Victoria (-0.8%) continued to fall.

  Nationally, prices for new homes were up 2.5% in October. Manitoba (+5.2%), Newfoundland & Labrador (+4.9%) and Saskatchewan (+4.8%) registered the largest year-over-year price increases. PEI (-1.6%) was the only province whose contractors reported lower prices compared to the previous year. *Data Source: Statistics Canada*

Report **Cruising in BC**

Did you know...

Roughly 27% of Western Canadians found their first job within the food service industry.

Data Source: Ipsos Canada

Labour

- **More than one in ten (11%) employees in Canada worked from home in 2008, up one percentage point since 2000.** In general, those who worked at home did so primarily on a part-time basis with a median of 8 hours worked per week, unchanged from 2000. More than half (54%) of employees who worked from home had earned a university degree and 55% were employed in a professional or managerial position.

  Men (12%) were more likely than women (10%) to work from home with the most common reason being that it was a job requirement (25%). Other reasons given included improved working conditions (23%) and that home was the usual place of work (18%). Family situations also played a role in the decision to work from home. Approximately 12% of self-employed women (compared with just 3% of self-employed men) reported that they worked from home specifically for family reasons.

  Data Source: SC Catalogue no. 11-008-X

- **In 2009, roughly 73% of women with children living at home under the age of 16 were employed, nearly twice the rate (39%) recorded in 1976.** Those with particularly young children (under the age of 3) were slightly less likely to be employed (64%), but still more than twice as likely to be working than the proportion with young children (28%) recorded to be working in 1976.

  In 2009, women accounted for 35% of all self-employed Canadians, up significantly from the proportion recorded (26%) in 1976. Women continue to be concentrated in occupations traditionally held by women with approximately 67% working in teaching, nursing and health-related occupations.

  Data Source: SC Catalogue no. 89-503-X

Education

- **When it comes to reading ability, students in British Columbia achieved scores equal to the Canadian average in 2009.** Scoring above the national average, Ontario led the way in reading ability. Alberta was above the national average in several sub-areas of reading, but overall performance was equal to the Canadian average. Quebec, like British Columbia, was equal to the Canadian average in all aspects of reading ability. Students in the remaining provinces scored significantly lower, with the lowest scores recorded in Prince Edward Island.

  Mathematics scores were highest in Quebec, the only province to achieve a level significantly above the Canadian average. Students in Alberta and Ontario, along with British Columbia, produced scores equal to the Canadian average, with the remaining provinces registering below average performance. Prince Edward Island students scored lowest in the country in mathematical ability.

  Science ability among students in British Columbia was also equal to the Canadian average. The strongest performance in science was in Alberta, where scores were significantly higher than the Canadian average. Students in BC, Ontario, Quebec and Nova Scotia were rated at the national average, with the rest of the country registering significantly lower scores. Again, students in Prince Edward Island lagged behind those in other provinces in science.

  The assessment was performed by the Organisation for Economic Co-operation and Development (OECD) and consisted of examinations of the reading, mathematical and science skills of roughly 470,000 students aged 15 years-old across 65 participating countries and regions. Canadian data excludes the three territories and First Nations schools. *Data Source: SC Catalogue no. 81-590 no. 4*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Contact: Chad Stroomer
(250) 387-0377
originally published in
Tourism Sector Monitor, issue 2010-11

Cruising in BC

Introduction

Each year, from May to October, dozens of cruise ships call at various ports in British Columbia. These ships voyage along the west coast via the Inside Passage, en route to or returning from locations in Alaska. Call or stopover locations include Vancouver, Victoria, Prince Rupert and Nanaimo.

British Columbia's cruise-related activity

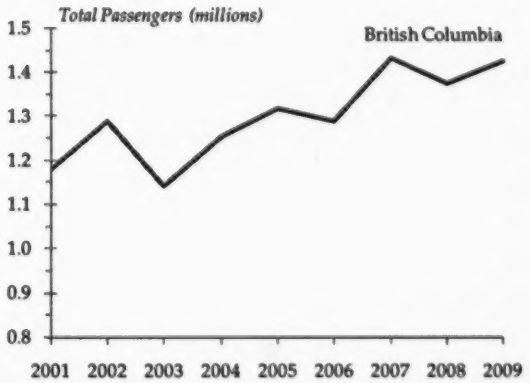
For most of the past decade, the increase in the number of passengers and vessels has been strong. Between 2001 and 2009, passenger volumes (both embarking and disembarking) have jumped more than one-fifth (+20.8%) with the number of vessels increasing at a similar rate (+21.7%). In 2009, more than 1.4 million passengers passed through BC's cruise ship ports.

Did you know...

The development of cruise-related activity in BC is owed, at least in part, to laws in the US that restrict foreign-registered vessels' activities operating between American ports. Two US laws in particular (the *Merchant Marine Act of 1920* for cargo and the *Passenger Vessel Services Act of 1886* for passengers) prohibit vessels not registered in the United States from transporting cargo or passengers directly between US ports.

For example, since none of the cruise ships that were scheduled to visit Vancouver in 2010 were registered within the US, stopovers at one of BC's coastal cities were absolutely essential for voyages beginning in the US in order to avoid violating American maritime law.

Passenger volumes have increased more than 20% since 2001, reaching 1.4 million by 2009



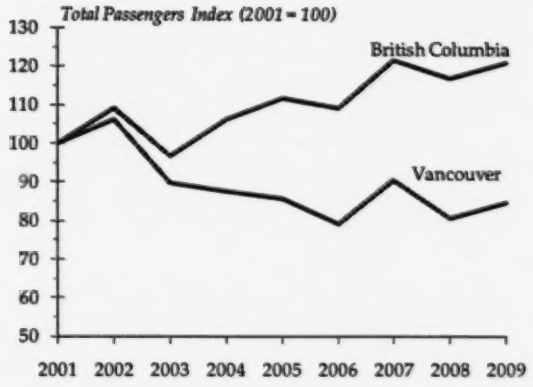
Data Source: Port authorities at Vancouver, Victoria, Prince Rupert, Nanaimo and Campbell River.

Vancouver

Serving as "home port" for many Alaska-bound cruises, the most important port along BC's cruise routes is Vancouver. In 2009, nearly 900,000 passengers passed through Vancouver's two cruise ship terminals at Canada Place and Ballantyne, a 5.1% increase in passenger volume over the previous year. While Vancouver's position as BC's primary cruise ship port is well-established, passenger volumes have slipped in recent years and so has its relative share of total passenger volume.

In 2001, Vancouver accounted for roughly 90% of all cruise passenger traffic in the province (roughly 1.1 million passengers). However, by 2009, that share fell to less than two-thirds (63%)—a drop of 15.3% in passenger volume. Given that overall passenger volumes for the province have actually risen, rather than signalling a downturn in cruise-related activity in BC, there may be many reasons why passenger counts to Vancouver's port has eased. For example, with many cruise ship companies located in the US, Seattle may be a preferred port of departure. Consequently, perhaps logistically, calling in (quaint) Victoria, Nanaimo or Campbell River may seem more viable. The improvement of facilities at other BC ports and Seattle may also have contributed to this decline.

Growth in passenger traffic has slowed 15% in Vancouver throughout most of last decade



Data Source: BC Stats & various port authorities

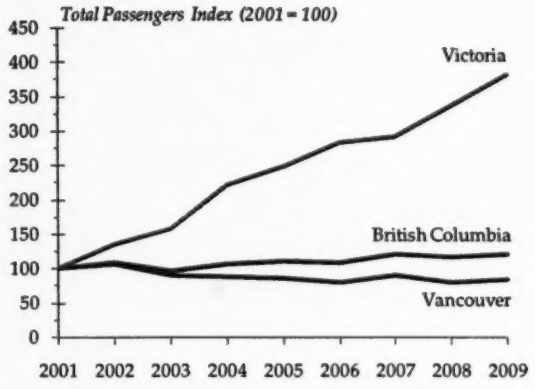
Commensurate with the slide in passenger volume, the number of sailings berthing in Vancouver has also fallen. Between 2001 and 2009, the number of sailings through Vancouver dropped 22.9%.

Victoria

A popular port of call for cruises between cities in California, Oregon and Washington and destinations in Alaska, Victoria's place within the BC cruise channel has expanded considerably over the previous decade.

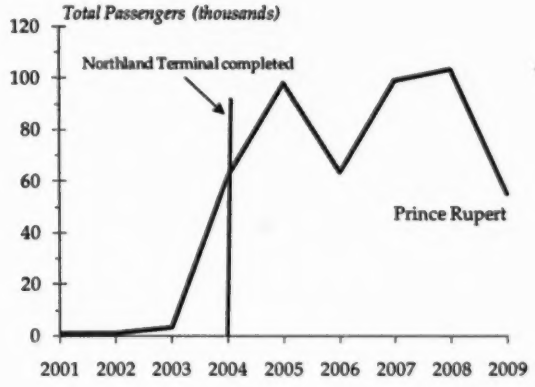
In 2001, just over 118,000 passengers visited Victoria, representing just 10% of BC's total cruise ship passenger traffic for that year. By 2009, the volume of passengers passing through Victoria had increased nearly four-fold (+283%) to 452,000. Based on this figure, Victoria represents roughly one-third (32%) of the province's cruise-related passenger traffic. More passengers means more frequent sailings, which have almost tripled (+184%) between 2001 and 2009.

Compared to Vancouver and the rest of BC, passenger counts in Victoria have expanded rapidly, nearly tripling between 2001 and 2009



Data Source: BC Stats, Port of Metro Vancouver, Greater Victoria Harbour Authority and other port authorities

Completion of the Northland Terminal put Prince Rupert on the cruise ship port-of-call map



Data Source: Prince Rupert Port Authority

Prince Rupert

Prince Rupert's relatively prominent place within cruise-related activity in BC truly began with the building of the Northland Cruise Terminal in 2004, making the port capable of providing a berth to some of the largest cruise vessels.

During its first few years of operation between 2004 and 2008, the number of passengers landing at the new terminal increased by roughly two-thirds (+67.0%). In 2009, however, passenger volumes suffered a sharp downturn (-46.8%) due in large part to the withdrawal of vessels from the Alaska cruise circuit and the economic downturn. This decline in the number of passengers is also reflected in the number of ships that called in Prince Rupert, which plummeted by just over half (-50.8%) between 2008 and 2009.

Nanaimo

Currently one of BC's smaller ports of call during the cruise season, Nanaimo caters to smaller pocket cruise ships. From 2005 to 2009, passenger volumes were up 29.7% from 14,600 to nearly 19,000. Nanaimo saw its strongest year in terms of passenger volumes in 2006 with more than 53,000 visitors travelling through the port.

More traffic routed through Seattle

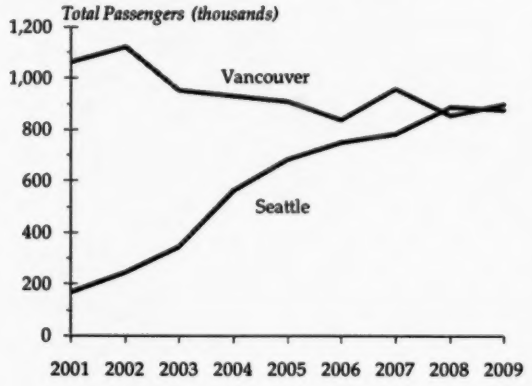
The chief competitor for cruise-related activity in BC is the port of Seattle. During the 1990s, Seattle lagged far behind Vancouver as a major hub of cruise ship activities. Recent years, however, have shown that Seattle is attracting a growing number of vessels and passengers, largely at the expense of Vancouver.

In 2001, the Seattle port welcomed a modest 167,000 passengers from 52 sailings. This was significantly higher (+41.2%) than the number of cruise ship visitors that Victoria hosted, but just one-sixth the volume that Vancouver attracted in the same year. However, over the course of the next decade, Seattle would experience a dramatic

upswing in both passenger volumes and number of sailings while Vancouver's relative position began to weaken. By 2008, Seattle (886,000 passengers) had actually passed Vancouver (854,000) as the area's busiest cruise ship port. Vancouver reclaimed the top position in 2009, but 2010 appears to have tipped in Seattle's favour as sailings to Vancouver dropped sharply (-30.9%) and passenger volumes fell by more than one-third (-35.6%).

Vancouver has faced mounting international competition from Seattle

Data Source: Port of Metro Vancouver & Port of Seattle



Association with other industries

Cruise ships are not registered in BC. Their home ports are usually in other countries, so BC does not have an actual cruise ship industry. However, the benefits associated with cruise activities are significant.

Passengers who travel to BC to embark on cruise ships spend tourist dollars in the province. For example, they might stay in hotels at the start and/or end of their voyage, or support restaurants, bars and night clubs, patronize shops or visit local attractions during calls at BC ports. Cruise ship operators also make use of port services in order to initiate repairs, refuel or take on additional food or other supplies.

Looking ahead

Preliminary data for British Columbia's 2010 cruise season suggests that the year will show a marked reduction in the volume of passengers and the number of sailings. This is likely due to a number of factors, not the least of which is that the aftermath of the recent economic downturn continues to affect travellers, particularly those from the United States. This, of course begs the question - why didn't the cruise ship industry see this kind of contraction in 2009 when the economy was in the depths of recession? The simplest answer is that many patrons of cruises book their vacations many months in advance of their departures. Given a considerable lag in bookings versus sailings, this suggests that data collected in 2010 is based on consumer choices made in 2009, precisely during the period in which the economic recession was at its deepest point.

Another problem facing the cruise industry in BC is the relatively recent implementation by Alaskan state authorities of a cruise ship passenger head-tax. Citing this tax as well as poor economic conditions, several cruise lines re-deployed some of their fleets to areas that would have been more profitable. Given that cruise line operators make deployment decisions years in advance, it is entirely possible that it will take some time before BC's cruise ship industry is able to make up the ground lost.

Did you know...

The world's largest ocean liner, *Oasis of the Seas*, boasts 16 decks and can carry 5,400 guests at double occupancy in its 2,700 staterooms. Her inaugural voyage took place in December 2009. An architectural marvel at sea, she has a sister ship, *Allure of the Seas*, that set [illegible] December 2010.

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also on the Internet at www.bcstats.gov.bc.ca or choose RSS

BC at a glance . . .

POPULATION (thousands)	Jul 1/2010	% change on one year ago
BC	4,531.0	1.6
Canada	34,108.8	1.2
GDP and INCOME (Released Nov 4)		
(BC - at market prices)	2009	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	191,006	-3.4
GDP *($ 2002 millions)*	161,851	-1.8
GDP *($ 2002 per Capita) (reflects revised pop)*	36,287	-3.5
Personal Disposable Income *($ 2002 per Capita)*	25,374	-1.9
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Sep 2010	3,082	1.5
Merchandise Exports - Oct 2010	2,444	0.8
Retail Sales - Sep 2010	4,814	0.6
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Oct 2010)	one year ago	% change
BC	2.4	1.0
Vancouver	3.0	1.4
Victoria	2.1	0.7
Canada	2.4	1.6
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Nov 2010	prev. month
Jobs Created (-Lost) - BC	4.3	
Labour Force - BC	2,499.1	-0.3
Employed - BC	2,326.1	0.2
Unemployed - BC	173.0	-6.5
		Oct 2010
Unemployment Rate - BC *(percent)*	6.9	7.4
Unemployment Rate - Canada *(percent)*	7.6	7.9
INTEREST RATES (percent)	Dec 8/2010	Dec 9/2009
Prime Business Rate	3.00	2.25
Conventional Mortgages - 1 year	3.35	3.60
- 5 year	5.19	5.59
US-CANADA EXCHANGE RATE	Dec 8/2010	Dec 9/2009
(avg. noon spot rate) Cdn $ per US $	1.0099	1.0552
(closing rate) US $ per Cdn $	0.9893	0.9483
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Nov 2010	one year ago
BC	818.75	2.0
Canada	828.42	2.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Science Related Occupations

How many people work in science-related occupations? Which industries employ them? What's the labour market outlook for workers in these occupations? A recently-released report on science-related occupations explores these issues. On WorkBC site; authored by BC Stats.

http://workbc.ca/docs/BC_Science_Related_Occupations.pdf

Trade Occupations Outlook to 2019

The BC Trade Occupations Outlook report provides an outlook for trade occupations for the province as a whole, as well as for its seven development regions for the period 2009-2019. The analysis is based on a representative list of 15 trade occupations covering 82 separate trades and over 85 percent of active B.C. apprentices as of June 30, 2010. Selected occupations are concentrated in two NOC skill types: Trades, Transport and Equipment Operators and Related Occupations (NOC7), and Sales and Service Occupations (NOC6). The occupational forecast included in this report comes from the B.C. Labour Market Outlook: 2009-2019 report, which was produced from B.C.'s new Labour Market Scenario Model.

http://workbc.ca/docs/BC_tradesoccupationoutlook_2009-2019.pdf

Small Business Profile 2010

The 2010 Edition of the annual profile of small business in British Columbia is now available. The report provides information on British Columbia's small businesses, including number of businesses, employment and small business' contribution to the provincial economy.

www.bcstats.gov.bc.ca/data/bus_stat/busind/sm_bus.asp#sbp

Released this week by BC Stats

- No subscription releases

Next week

- Exports, October 2010
- Tourism Sector Monitor, November 2010

BC Stats, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: 250-387-0327 Fax: 250-387-0380 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gov.bc.ca